

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7258

BILL NUMBER: HB 1705

NOTE PREPARED: Jan 5, 2009

BILL AMENDED:

SUBJECT: Withdrawal from School.

FIRST AUTHOR: Rep. Dermody

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows a student who is at least 17 years of age to withdraw from school with the consent of the student's parent and principal following an exit interview, if the student plans to obtain a general educational development (GED) diploma before reaching the age of 18 in order to attend a postsecondary educational institution or join the armed forces.

Effective Date: July 1, 2009.

Explanation of State Expenditures: The bill could increase the number of students that withdraw from school. The bill could reduce the state tuition support distributions the year following the withdrawal if the student was not in 12th grade when they withdrew. The impact on the state would probably be minor.

Background: During the 2006-07 school year about 9,076 students withdrew from school for various reasons. About 2,283 of the students were 17 years of age. The following table summarizes the primary reason for the withdrawal from school according to the department's dropout report by age.

Dropout Reason Codes	Under 17	17	Over 17	Total
Record of School Failure	81	161	582	824
Disinterest in Curriculum	268	592	1,648	2,508
Interpersonal problems	18	36	72	126
Incorrigibility	27	36	48	111
Need or desire to earn money	86	144	257	487
Poor Home Environment	11	17	60	88
Drug abuse	3	6	10	19
Marriage	7	9	15	31
Pregnancy	59	77	88	224
Poor health	29	37	33	99
Friends or Peer Pressure	2	2	3	7
Armed Services Enlistment	5	15	25	45
Unknown or No Shows	970	655	1,140	2,765
Expulsion	781	461	366	1,608
Missing but located	23	25	33	81
Failure of GQE	3	10	40	53
Total	2,373	2,283	4,420	9,076

Explanation of State Revenues:

Explanation of Local Expenditures: The impact on schools would probably be minor.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources: Department of Education Databases.

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